The Job Market

THE HOTELS, MOTELS, AND OTHER LODGING PLACES INDUSTRY

By B. Jones

Employment in the Hotels, Motels, and Other Lodging Places Industry has shown steady growth over the past 20 years in Minnesota. Wage and salary employment in this industry increased by 225 percent from 1960 to 1983. In this article we will briefly examine the composition, employment, occupational staffing patterns, and future outlook of this industry.

The Industry

The Hotels, Motels, and Other Lodging Places Industry includes commercial and institutional establishments engaged in furnishing lodging, or lodging and meals, and camping space and facilities, on a fee basis. This industry is divided into four parts: (1) hotels, motels, and tourist courts; (2) rooming and boarding houses; (3) camps and trailering parks; and (4) organization hotels and lodging houses on a membership basis.

There are 1,100 lodging establishments in Minnesota employing 26,500 workers. This industry comprises 1.2 percent of the State's nonagricultural wage and salary employment. About fifty percent of these workers are employed in the Minneapolis-St. Paul nine-county metropolitan area. Employment in this industry grew by 47.7 percent from 1970 to 1978 and is expected to increase another 26 percent from 1978 to 1985.

Approximately 95 percent of the employees in the industry work in hotels, motels, and tourist courts. Roughly 2.6 percent work in camps and trailer parks, and the remaining (2.4 percent) are employed by rooming and boarding houses and organization hotels and lodging houses.

Occupational Staffing Patterns

Technological changes and electronic gadgetry have had very little effect on the occupational staffing patterns of the Hotels, Motels, and Other Lodging Places Industry over the past decade. Further more, staffing patterns are not expected to change significantly in the near future.

Occupational staffing patterns for this industry, as shown on Table I, indicate that 93.5 percent of the workers fall into three broad occupational categories; namely, service workers; managers, officials, and proprietors; and clerical workers.

Service workers comprise the largest proportion (60 percent) of the workers in this industry. After increasing by 42 percent from 1970 to 1978, the employment of service workers is expected to rise another 33 percent by 1985, with the proportion of service workers remaining fairly constant. The bulk of the service workers are in the following occupations: maids (22.3 percent), waiter/waitresses (13.2 percent), childcare workers (12.7 percent), building, interior cleaners (10.0 percent), lodging housekeeper (6.4 percent), and cooks (5.7 percent).

An upward trend in the proportion of clerical employees is noticeable in Table I. They experienced strong growth during the 1970-78 period (65 percent) and are expected to increase another 31 percent by 1985. The dominate occupations in this field are: counter clerks, except food (52.3 percent); cashiers (14.6 percent); bookkeepers (12.6 percent); receptionists (5.7 percent).

Workers in the remaining six broad occupational categories constitute six and one half percent of the industry's total employment. Among the craft workers, carpeters (29.3 percent), stationary engineers (15.0 percent), bakers (11.3 percent(, and heavy equipment mechanics (9.7 percent) are significant.

The number of professional and technical workers is expected to increase at the same rate as total employment for this industry; 48 percent for 1970-78 and 26 percent from 1978 to 1985. The predominate occupations among the professional workers are accountants (31.5 percent), musicians and composers (17.3 percent), recreation workers (16.4 percent) and personnel and labor relations workers (11.8 percent). Laundry and dry cleaning operators account for 47.8 percent of the operative occupations, while parking attendants (20.3 percent) and clothing ironers and pressers (15.6 percent) round out the list of significant occupations in this category.

Sales workers and laborers represent less than one percent of the workers. miscellaneous sales workers (83.9 percent) and advertising agents (16.1 percent) comprise the sales workers. Laborers fall into three occupations gardeners and groundskeepers (55.6 percent), stockhandlers (28.9 percent), and miscellaneous laborers (15.6 percent).

Overall, the employment outlook for this industrial sector should continue to be very good through the 1980's. The greatest number of job opportunities are expected to be for service, managerial, and clerical workers.

TABLE I.

Occupation Staffing Patterns For Hotels, Motels & Other Lodging Places

	Percent of Industry Employment		
Occupational Groups	1970	1978	1985
Professional, Technical, & Kindred	1.9	1.9	1.9
Managers, Officials, & Proprietors	14.4	14.0	14.0
Sales	0.3	0.3	0.3
Clerical	11.7	12.0	12.4
Craft & Kindred	1.9	1.8	1.2
Operatives	2.2	2.2	1.9
Service	67.3	67.5	68.0
Laborers except Farm	0.3	0.3	0.3
Farm Laborers	0.0	0.0	0.0

SUPPLY/DEMAND FOR SPECIFIC OCCUPATIONS, JULY, 1984 [1/]

By S. Hamper

MINNESOTA

Shortage Occupations: commissioned sales workers #, highly skilled clerical workers #, experienced machinists, seasonal farm workers

Surplus Occupations: entry-level managers #, entry-level clerical workers #, construction workers #, factory assemblers #, laborers #

CENTRAL MINNESOTA

Shortage Occupations: commissioned sales workers #, part-time office clerks, skilled mechanics #, farm workers #, journeyman plumbers

Surplus Occupations: bookkeepers #, cashiers #, construction workers, welders, meat-packing food handlers, warehouse workers, assembly workers #, laborers #

MINNEAPOLIS-ST. PAUL

Shortage Occupations: highly skilled clerical workers #, experienced machinists, fast food service workers #, janitors

Surplus Occupations: entry level managers #, entry level clerical workers, construction workers, factory assemblers #, laborers #

NORTHEASTERN MINNESOTA

Shortage Occupations: None

Surplus Occupations: entry-level managers #, teachers #, social workers #, office clerks #, sales clerks #, waiters/waitresses #, maids #, food production workers #, machinists #, welders #, maintenance mechanics #, carpenters #, painters #, bricklayers #, millwrights #, pipefitters #, electricians #, truck drivers #, auto and diesel mechanics #, mining crafts, laborers: construction, general, and mining #

NORTHWESTERN MINNESOTA

Shortage Occupations: commissioned sales persons #, mechanical engineers and drafters #, experienced,high-tech machinists, live-in companions #

Surplus Occupations: entry-level clerical workers #, construction workers #, assembly workers #, general laborers #

SOUTHERN MINNESOTA

Shortage Occupations: sales workers, tractor-trailer drivers #, seasonal field workers

Surplus Occupations: clerical office workers #, unskilled construction workers #, unskilled factory workers #

1/ Shortage occupations are those that are difficult to fill or go unfilled due to the lack of qualified applicants. Surplus occupations are those in which the number of qualified applicants greatly exceeds the number of openings.

This occupation has been listed as a shortage or surplus occupation in at least two out of the last three quarters of the Review.

Job Service Applicant Supply and Demand

Table 1 compares Job Service (J.S.) job applicants with the J.S. job openings that existed at the end of the month. These comparisons are expressed as supply/demand ratios. Other things being equal, the greater the ratio of applicants to openings, the greater the competition has been for work within that occupational category. To put these ratios into context, the reader must remember that not only do job seekers and employers in general find jobs or recruit workers through other means, but those interested in certain kinds of jobs are particularly unlikely to use the J.S. For example, workers seeking professional and managerial jobs are least likely to use the J.S., whereas employers usually recruit construction workers through union halls and hire teachers directly. Thus, the main value of Table 1 is that it reflects, for broad occupational groups, the relative labor market conditions that those using the J.S. encountered when seeking work. Readers who desire information on current shortage and surplus conditions for a specific occupation should refer to the Supply/Demand assessments given above.

Table 1. Experienced Supply/Job Openings Demand[1/]

Occupation	Applicants (Supply) July, 1984	Job Openings (Demand) July, 1984	Supply/Demand Ratio	
			July, 1984	July, 1983
Total	280,865	17,945	15.7	10.8
Prof., Tech., Mgr.	37,771	1,742	21.7	22.0
Clerical	50,536	3,080	16.4	6.4
Sales	13,871	2,012	6.9	2.4
Dom. Services	5,043	386	13.1	11.0
Other Services	37,912	3,864	9.8	7.4
Farm., Fish., For.	18,465	415	44.5	35.3
Processing	6,863	1,060	6.5	4.4
Machine Trades	16,550	1,009	16.4	32.2
Benchwork	18,240	881	20.7	30.3
Structural Work	34,617	1,117	31.0	37.1
Mtr. Frght., Trans.	10,395	472	22.0	11.9
Pkg. & Mat. Hndlg.	27,891	1,843	15.1	18.2
Other	2,711	64	42.4	69.6

1/ Inexperienced and improperly coded job applicants are not included in this table.

Feature Article

CHANGES IN THE U.S. POPULATION AND LABOR FORCE, 1970-1980

By S. Hamper and W. Graner*

In this article we will look at change in the United States with respect to the population, labor force, labor force participation rates (LFPRs), employment, and the unemployment rate by Census region [1/] and gender. Our purpose is not so much a definitive analysis, but rather an illustration of the complexities and dynamic interrelationships that determine labor market conditions. The time period that we chose to use was 1970 to 1980. This enabled us to utilize Census data which were easily obtainable and reliable. (The reader may refer to Tables 1 and 1A which present population and labor force data and the change from 1970-1980). The advantage of a ten year time period is that a decade is long enough to reveal genuine change as opposed to errors of measurement or flukes. A danger in using Census data is the possibility that business cycle fluctuations may produce distortions in the data (e.g. the unemployment rate in 1930 vs. 1940). We were fortunate in this regard in that 1970 and 1980 were similar in terms of the business cycle.

We will first look at the unemployment rate because, like the weather, everyone talks about it, but no one seems able to do much about it. The 1980 unemployment rates in the Census regions ranged from a low of 5.7 percent in the South to a high of 7.6 percent in the North Central region. The Northeast at 6.7 percent was slightly above, while the rate for the West at 6.6 percent was equal to that of the Nation. Over the decade, the U.S. rate climbed from 4.4 percent to 6.6 percent as every Region experienced increased unemployment that ranged from a low of half a percentage point in the West to 3.4 percentage points in the North Central region. When comparing the 1970 to 1980 change in unemployment rates by sex, it is obvious that females had the better of it in the struggle for jobs. While the U.S. female rate went up by 1.4 percentage points, the incidence of male joblessness went up by nearly twice as much, or 2.7 percentage points. This general pattern was also manifested in the regions, particularly the North Central and West. In the North Central region the rate for women rose by 1.9 percentge points while the corresponding increase for men was 4.4 percentage points. In the West the males showed a small upward drift of 0.9 percentage points whereas the measure of unemployment for females actually declined by one-tenth of a point. To summarize, when the total unemployment rate for the U.S. was at a moderate level in 1970, it was quite low for men, and high for women. By 1980, the overall jobless rate had risen to a troublesome level, especially for males, but to a much lesser extent for females. Moreover, the relative distribution of unemployment had shifted geographically from the West to the North Central and Northeast.

To gain another perspective on the changes in labor market conditions we turn to an examination of employment behavior over the 1970-1980 decade. Although employment in the U.S. grew from 76.6 million in 1970 to 97.6 million, or by 27.5 percent, it did not match the increased demand for jobs as evidenced by an

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1/ It was our intention to utilize Census Divisions for this analysis, but not all of the necessary data was available at this level. Should the reader wish to pursue this matter at more detail, labor force and population data from 1970 and 1980, by State, are provided at the end of this article in Table 2.

* This article was prepared by Susan Hamper and Wayne Graner of the Research and Statistical Services Office of the Minnesota Department of Economic Security.

Table 1

POPULATION AND LABOR FORCE DATA, 1970 AND 1980, BY CENSUS REGION
(In Thousands)

Census Region	1970 16+ Pop.	1970 Labor Force	1970 Employment	1970 Unemp.	1970 Unemp. Rate	1970 L.F.P.* Rate	1980 16+ Pop.	1980 Labor Force	1980 Employment	1980 Unemp.	1980 Unemp. Rate	1980 L.F.P.* Rate
U.S.	141087.3	80051.0	76553.6	3497.5	4.4	56.7	171182.9	104531.1	97631.1	6900.0	6.6	61.1
Male	67235.5	49549.2	47623.8	1925.5	3.9	73.7	81747.1	59931.1	55958.9	3972.2	6.6	73.3
Female	73851.8	30501.8	28929.8	1572.0	5.2	41.3	89435.8	44600.0	41672.2	2927.8	6.6	49.9
NORTHEAST	34730.5	20043.6	19270.8	772.7	3.9	57.7	37845.4	22881.1	21337.9	1543.4	6.7	60.5
% of Total	24.6	25.0	25.2	22.1			22.1	21.9	21.9	22.4		
Male	16260.4	12318.9	11890.0	428.9	3.5	75.8	17707.2	13047.5	12169.6	878.0	6.7	73.7
Female	18470.1	7724.7	7380.8	343.9	4.5	41.8	20138.2	9833.6	9168.3	665.4	6.8	48.8
NORTH CENTRAL	38868.2	22602.6	21649.5	953.1	4.2	58.2	44182.4	27534.6	25435.0	2099.7	7.6	62.3
% of Total	27.5	28.2	28.3	27.3			25.8	26.3	26.1	30.4		
Male	18530.0	14189.2	13657.9	531.4	3.7	76.6	21089.5	15907.7	14611.5	1296.2	8.1	75.4
Female	20338.2	8413.4	7991.6	421.7	5.0	41.4	23092.9	11626.9	10823.5	803.5	6.9	50.3
SOUTH	43320.5	23728.7	22797.5	931.2	3.8	54.8	56558.4	33714.3	31809.0	1905.1	5.7	59.6
% of Total	30.7	29.6	29.8	26.6			33.0	32.3	32.6	27.6		
Male	20666.3	14524.4	14051.8	472.6	3.3	70.3	26980.7	19184.9	18171.4	1013.3	5.3	71.1
Female	22654.2	9204.3	8745.7	458.6	5.0	40.6	29577.7	14529.4	13637.6	891.8	6.1	49.1
WEST	24168.0	13676.2	12835.8	840.3	6.1	56.6	32596.3	20401.0	19049.3	1351.6	6.6	62.6
% of Total	17.1	17.1	16.8	24.0			19.0	19.5	19.5	19.6		
Male	11778.7	8516.7	8024.1	492.6	5.8	72.3	15969.2	11791.1	11006.4	784.5	6.7	73.8
Female	12389.3	5159.5	4811.7	347.7	6.7	41.6	16627.1	8609.9	8042.9	567.1	6.6	51.8

*LFP Rate = Labor Force Participation Rate

Source: 1970 and 1980 Census, U.S. Department of Commerce, Bureau of the Census

Table 1A POPULATION AND LABOR FORCE DATA, 1970 AND 1980, BY CENSUS REGION

Census Region	% Change			Absolute Change		
	16+ Pop.	Labor Force	Employ-ment	Unemp. Rate	L.F.P.* Rate	Net Migration
U.S.	21.3	30.6	27.5	2.2	4.4	--
Male	21.6	21.0	17.5	2.7	-0.4	
Female	21.1	46.2	44.0	1.4	8.6	
NORTHEAST	9.0	14.2	10.7	2.8	2.8	-2828.0
% of Total						
Male	8.9	5.9	2.4	3.2	-2.1	
Female	9.0	27.3	24.2	2.3	7.0	
NORTH CENTRAL	13.7	21.8	17.5	3.4	4.1	-2368.0
% of Total						
Male	13.8	12.1	7.0	4.4	-1.2	
Female	13.5	38.2	35.4	1.9	8.9	
SOUTH	30.6	42.1	39.5	1.9	4.8	3593.0
% of Total						
Male	30.6	32.1	29.3	2.0	0.8	
Female	30.6	57.9	55.9	1.1	8.5	
WEST	34.9	49.2	48.4	0.5	6.0	1601.0
% of Total						
Male	35.6	38.4	37.2	0.9	1.5	
Female	34.2	66.9	67.2	-0.1	10.2	

Source: Population and Labor Force data were obtained from the 1970 and 1980 Census of Population. Migration Data were obtained from Geographic Mobility, Current Population Reports, U.S. Department of Commerce, Bureau of the Census, December, 1981.

increase in the labor force and the escalation in the unemployment rate over the ten year period. Within the regions, employment growth was very poor in the Northeast (10.7 percent), and well below the U.S. pace in the North Central region (17.5 percent). Meanwhile, the West and South exhibited much more favorable growth in employment, posting gains of 48.4 and 39.5 percent, respectively over the decade. Although the steady rise in female labor force participation rates generated a substantial expansion in the labor force across the country, the disproportionate gain in jobs in the South and West enabled these regions to experience only nominal increases in unemployment rates from 1970 to 1980 in contrast to rapidly increasing rates in the North Central and Northeast regions. At the national level, while male employment was up by only 17.5 percent, job gains by females rose by a whopping 44.0 percent. This type of male/female differential was present in all four major regions of the country. Moreover, whereas the female employment growth in the Northeast (24.2 percent) and North Central (35.4 percent) was fairly substantial, it paled in comparison with the gains in the South (55.9 percent) and West (67.2 percent). In terms of employment behavior, the West and South were considerably more favored by national economic growth than the North and North Central regions.

In general, economic logic tells us that people will tend to migrate to areas of more favorable employment opportunities. In this respect, we would expect a geographic shift in the distribution of the population, particularly of working age, in accord with relative gains in employment. Between 1970 and 1980 such a shift took place with significantly different regional growth patterns. For the entire U.S., the population 16 years of age and over increased by 21.3 percent over the decade. However, population in the Northeast and North Central Regions of the country grew much more slowly, exhibiting only 9.0 and 13.7 percent increases, respectively. On the other hand, significant growth occurred in the South and West, where the population 16 years of age and over grew by 30.6 percent and 34.9 percent, respectively. As a result, between 1970 and 1980 the Northern and Southwest regions reversed their majority position in terms of the working age population. Thus, although the Northern regions contained 52.2 percent of the total U.S. population 16 years of age and over in 1970, by 1980 this proportion had shrunk to 47.9 percent. This phenomenon is not necessarily a function of differences in birth and death rates, as Table 1a illustrates, since data on migration patterns indicate a substantial population movement out of the Northeast and North Central regions to the South and West. Looking at the female/male distribution of the population, one becomes cognizant of the fact that females comprised a larger proportion of the working age population, in 1980, 52.2 percent compared to 47.8 percent for males. While women outnumber men due to several factors, including higher male infant mortality rates, higher male death rates at other ages, and greater overall increases in life expectancy for females, the higher survival rates for women had no effect on the geographical shift in the working age population. This conclusion can be deduced from the fact that there is virtually no difference in the proportion of males to females among the Census regions, nor has there been any appreciable change in the proportion of males to females from 1970 to 1980 in the U.S. or in any region.

Looking at labor force growth, not surprisingly, changes in the labor force follow the sames geographic patterns as changes in the population. As was true for the working age population, the increases in the labor force from 1970 to 1980 were significantly less than the national change in the Northeast and North Central regions, and much greater than the U.S. change in the South and West regions. In 1970 the Northern regions accounted for over half of the total U.S. labor force, 53.3 percent, while the South and West accounted for 46.7 percent.

By 1980 the South and West regions contained over half of the labor force (51.8 percent). Changes in labor force participation rates [2/] (LFPR) closely approximate the change patterns in the labor force. In addition to the regional changes in the labor force participation rates, there have been some significant developments in differences in the rate for males and females. Nationally, the LFPR increased overall from 1970 to 1980 by 4.4 percentage points. However, during this same time period, the male LFPR actually decreased slightly while the female rate increased substantially. Nationally, the male LFPR has been declining since the early 1950's, largely due to the labor force withdrawal of older men. The increase in the rate for women has accompanied a tremendous expansion in employment in the services sector where women have obtained the majority of new jobs. They have also enjoyed favorable employment opportunities in light manufacturing such as found in electronic goods and small appliances assembly. Other things considered, it seems that demand has induced as strong if not stronger supply response than some of the sociological factors that have often been cited as promoting high female labor force participation rates. In the absence of employment growth it is unlikely that female labor force participation rates would have risen as dramatically as evidenced by historical trends. Female LFPRs increased in all regions from 1970 to 1980, while the male LFPR decreased in the Northeast and North Central regions, and increased only slightly in the South and West regions.

Summarizing the labor force trends from 1970 to 1980, two patterns emerge as apparent from our brief analysis. First was the regional shift in employment and the working age population, from the Northern states to the South and West. Secondly, there was a dramatic increase in the involvement of females in the labor force brought about by very favorable labor market conditions for occupations in which women predominate.

Despite the significant increases in the female labor force, their unemployment rates did not rise as fast over the decade as those for males. This over-the-decade experience illustrates the direct connection between labor force and employment behavior on the unemployment rate. Thus, unemployment rates in the Northern tier regions rose substantially faster than in the South and West even though the working age population and the labor force grew much more slowly in the North than in the South and West. This points out the strong influence of employment behavior on the unemployment rate.

However, it should be noted that the unemployment count is not only affected by the number of persons employed at a given time, but by the decisions that people make to enter the labor market and actively seek work. These decisions are conditioned by many factors, both economic and noneconomic. For example, a persons's decision to seek employment may be greatly influenced by his/her perception of whether or not the labor market is conducive to his/her successfully obtaining a job. Moreover, the number of persons seeking employment in a particular area is affected by the growth and composition of the population and its geographic mobility. [3/]

[2/] Labor force participation rate = $\frac{\text{labor force}}{\text{population 16 years and over}} \times 100$

[3/] For example, it can be shown that one area may experience an increase in the unemployment rate in the face of increasing employment while another will exhibit little or no increase in unemployment despite no increase or even a decline in employment. Therefore, unemployment rates may not always provide a good measure of labor market conditions, particularly for comparisons between two geographic areas.

In short, our analysis indicates that the labor markets of the South and West were better able to absorb the increases in their working age populations and labor forces. Even though the increase in the population 16 years of age and over, together with LFPR growth, was much greater in the South and West from 1970-1980, their unemployment rates increased less than in the North. The same pattern holds true for females. The female LFPR increased significantly from 1970-1980, while the male LFPR actually decreased, yet females experienced much higher growth in employment and a substantially lower increase in their unemployment rate than did males. Germane to this issue, but beyond the time and space constraints of this article, would be an analysis of the industrial and occupational structure of the geographic and gender labor markets and the relationship of those two variables to the trends in the components of the labor force.

Table 2

POPULATION AND LABOR FORCE DATA, 1970 AND 1980, BY STATE
(In Thousands)

	1970						1980					
	16+ Pop.	Labor Force	Employ-ment	Unemp.	Unemp. Rate	L.F.P.* Rate	16+ Pop.	Labor Force	Employ-ment	Unemp.	Unemp. Rate	L.F.P.* Rate
U.S.	141087.3	80051.0	76553.6	3497.5	4.4	56.7	171182.9	104531.1	97631.1	6900.0	6.6	61.1
AL	2347.2	1249.2	1193.3	55.9	4.5	53.2	2880.3	1650.3	1522.5	127.8	7.7	57.3
AK	191.1	98.3	89.2	9.1	9.3	51.4	286.4	183.9	166.4	17.5	9.5	64.2
AZ	1194.6	641.0	614.1	26.9	4.2	53.7	2024.4	1184.9	1116.2	68.6	5.8	58.5
AR	1340.6	688.6	649.7	38.9	5.6	51.4	1702.9	946.4	882.0	64.4	6.8	55.6
CA	14042.7	7992.2	7484.7	507.5	6.3	56.9	18115.7	11387.9	10637.8	750.1	6.6	62.9
CO	1515.8	862.1	825.8	36.4	4.2	56.9	2181.6	1443.0	1371.7	71.3	4.9	66.1
CT	2117.5	1298.5	1253.0	45.5	3.5	61.3	2401.4	1555.2	1479.4	75.8	4.9	64.8
DE	371.9	219.2	210.9	8.2	3.7	58.9	450.7	280.5	262.1	18.4	6.6	62.2
DC	555.0	348.1	335.0	13.1	3.8	62.7	515.4	321.7	300.9	20.8	6.5	62.4
FL	4907.2	2521.2	2426.3	95.0	3.8	51.4	7710.7	4256.5	4046.1	210.5	4.9	55.2
GA	3119.0	1805.0	1746.8	58.2	3.2	57.9	4027.4	2483.7	2344.4	139.3	5.6	61.7
HI	522.0	294.5	285.6	8.9	3.0	56.4	722.6	437.2	417.4	19.7	4.5	60.5
ID	479.5	271.6	257.5	14.1	5.2	56.6	671.9	412.7	380.1	32.7	7.9	61.4
IL	7717.0	4591.6	4419.9	171.7	3.7	59.5	8611.6	5399.3	4994.0	405.3	7.5	62.7
IN	3551.4	2103.4	2016.4	87.1	4.1	59.2	4085.3	2569.5	2366.8	202.7	7.9	62.9
IA	1957.6	1127.4	1088.3	39.1	3.5	57.6	2196.7	1384.2	1311.9	72.3	5.2	63.0
KS	1583.9	886.6	852.3	34.3	3.9	56.0	1800.3	1111.9	1066.9	45.0	4.0	61.8
KY	2227.4	1141.6	1088.8	52.8	4.6	51.3	2721.0	1503.7	1369.4	134.2	8.9	55.3
LA	2398.9	1224.2	1158.2	65.9	5.4	51.0	3046.0	1746.5	1644.7	101.8	5.8	57.3
ME	685.9	381.7	365.8	15.9	4.2	55.6	846.2	498.5	459.8	38.7	7.8	58.9
MD	2683.6	1590.1	1538.8	51.3	3.2	59.3	3215.5	2072.3	1952.6	119.6	5.8	64.4
MA	4009.0	2389.4	2298.2	91.2	3.8	59.6	4463.5	2811.5	2676.2	135.3	4.8	63.0
MI	5971.8	3455.3	3252.8	202.5	5.9	57.9	6877.3	4181.9	3696.6	485.3	11.6	60.8
MN	2572.3	1528.4	1464.3	64.2	4.2	59.4	3061.3	2005.6	1895.2	110.4	5.5	65.5
MS	1463.1	756.5	718.9	37.5	5.0	51.7	1809.4	1020.0	946.9	73.1	7.2	56.4
MO	3292.1	1845.4	1767.3	78.1	4.2	56.1	3738.9	2278.6	2123.7	154.9	6.8	60.9
MT	470.8	260.6	244.6	16.0	6.1	55.4	585.6	360.8	329.4	31.4	8.7	61.6
NE	1031.4	592.1	576.1	16.1	2.7	57.4	1182.3	747.0	720.2	26.8	3.6	63.2
NV	335.0	209.0	197.8	11.2	5.4	62.4	613.7	425.8	399.4	26.4	6.2	69.4
NH	509.1	304.7	294.1	10.6	3.5	59.9	696.8	455.0	434.0	21.4	4.7	65.3
NJ	5035.4	2972.6	2859.0	113.6	3.8	59.0	5643.6	3515.2	3274.2	240.9	6.9	62.3
NM	652.4	342.5	322.8	19.6	5.7	52.5	938.1	550.1	511.0	39.1	7.1	58.6
NY	13010.5	7421.6	7124.0	297.6	4.0	57.0	13509.4	7975.2	7411.5	563.7	7.1	59.0
NC	3519.5	2054.8	1984.4	70.4	3.4	58.4	4441.8	2783.0	2626.8	156.2	5.6	62.7
ND	417.0	214.3	204.6	9.8	4.6	51.4	486.8	290.5	274.4	16.2	5.6	59.7
OH	7318.0	4234.5	4063.8	170.7	4.0	57.9	8107.0	4988.6	4575.4	413.2	8.3	61.5
OK	1817.6	968.4	928.0	40.4	4.2	53.3	2277.7	1337.6	1278.5	59.0	4.4	58.7

*L.F.P. Rate denotes Labor Force Participation Rate.

Table 2

	1970						1980					
	16+ Pop.	Labor Force	Employ-ment	Unemp.	Unemp. Rate	L.F.P. Rate	16+ Pop.	Labor Force	Employ-ment	Unemp.	Unemp. Rate	L.F.P. Rate
OR	1477.4	837.1	778.7	58.3	7.0	56.7	2002.1	1238.5	1133.1	105.4	8.5	61.9
PA	8379.1	4712.3	4536.9	175.4	3.7	56.2	9161.6	5366.1	4947.4	418.7	7.8	58.6
RI	680.1	388.0	372.3	15.7	4.0	57.1	737.3	461.2	427.5	33.7	7.3	62.6
SC	1742.0	991.8	954.6	37.3	3.8	56.9	2302.8	1419.9	1331.3	88.6	6.2	61.7
SD	452.1	249.4	240.1	9.3	3.7	55.2	512.9	314.2	297.4	16.8	5.3	61.3
TN	2742.4	1526.1	1458.4	67.6	4.4	55.6	3464.5	2060.8	1907.8	153.0	7.4	59.5
TX	7624.5	4297.8	4141.5	156.3	3.6	56.4	10466.8	6614.1	6358.5	255.6	3.9	63.2
UT	681.3	399.2	378.6	20.6	5.2	58.6	974.2	617.7	584.1	33.6	5.4	63.4
VT	303.9	174.8	167.6	7.2	4.1	57.5	385.6	243.2	227.9	15.2	6.3	63.1
VA	3229.4	1766.7	1714.2	52.5	3.0	54.7	4065.0	2462.2	2345.5	116.7	4.7	60.6
WA	2379.6	1338.5	1233.1	105.4	7.9	56.2	3139.7	1933.4	1787.2	146.2	7.6	61.6
WV	1231.3	579.3	549.6	29.7	5.1	47.0	1460.5	755.1	689.0	66.1	8.8	51.7
WI	3003.4	1774.0	1703.6	70.4	4.0	59.1	3522.0	2263.3	2112.5	150.8	6.7	64.3
WY	225.8	129.6	123.4	6.2	4.8	57.4	340.3	225.1	215.5	9.6	4.3	66.1

Source: 1970 and 1980 Census of Population, U.S. Department of Commerce, Bureau of the Census

Brief Analysis Of Economic Conditions

THE NATIONAL AND STATE ECONOMICS AT MIDYEAR

By B. Boyle

Nation

According to a majority of the indicators of current economic health, the Nation's economy was still growing at a brisk pace in July. However, other barometers, including the index of leading indicators, suggested that the economy may be slowing down.

Although the seasonally adjusted unemployment rate rose 0.4 of a percentage point to 7.5 percent in July and adjusted total employment fell by 350,000 in July, seasonally adjusted nonfarm payroll employment rose a satisfactory 302,000 in July. The erratic behavior of the unemployment rate and total employment in June and July was probably due to problems in the seasonal adjustment process which often occur in June and July because of year to year variations in the number of summer jobseekers. Meanwhile, the July rise in payroll employment was still considered a healthy gain by economists and was not too far below the average monthly rise of 342,000 during the first half of the year. Employment in manufacturing picked up in July, climbing by 105,000 after average monthly increases of 83,000 during the previous six months.

Other economic reports for July showed some contrasting developments. Retail sales and housing starts declined while industrial production and personal income rose substantially. Except for May, production and income have been quite strong and sales have not fallen since March. A second monthly decline in the index of leading indicators in July was the strongest evidence of some slowing in the growth of the economy.

State

Although the unemployment rate rose for the second consecutive month in July and total employment fell slightly in July, a solid gain in nonfarm payroll employment in July indicated that the State's economy was still quite strong. Economists in the State disagree on whether or not the Minnesota economy is slowing down.

Minnesota's seasonally adjusted unemployment rate rose 0.2 of a percentage point for the second straight month in July, climbing to 6.4 percent after averages of 6.1 percent in the second quarter and 6.3 percent in the first quarter. However, Department analysts believe that the May to July increase in the rate was somewhat overstated due to adjustments required by Federal regulations. Seasonally adjusted total employment dipped by 500 in July after gains of 28,300 in the second quarter and 41,500 in the first quarter. Meanwhile, nonfarm payroll employment, also seasonally adjusted, rose by a healthy 10,800 in July after a strike retarded growth by only 4,800 in June. July's increase in payroll employment was quite close to the average monthly gain between January and May. Nearly nine-tenths of the July advance in payroll jobs occurred in the trade and services industry divisions. Over-the-year and during the upturn, the largest employment increases were in the trade, manufacturing, and services sectors.

Other indicators for July and the second quarter suggested that the Minnesota economy might be slowing down. Seasonally adjusted private housing permits fell in both the second quarter and July while seasonally average weekly initial claims for unemployment benefits rose significantly in July.

Forecasts

FORECASTS OF GNP AND MINNESOTA PAYROLL EMPLOYMENT

By C. Cline

Actual values for the second quarter of 1984 and forecasted values for the next eight quarters of the real Gross National Product and of total and major industry employment are given below. As usual these incorporate revisions in second quarter values. In addition, Bureau of Economic Analysis revisions in real GNP starting with the first quarter of 1981 were also incorporated into the data set.

Percent errors in the one period ahead forecasts for the second quarter are -0.69%; -0.22%; +3.76%; -4.90%; -0.62%; -1.24%; -0.60%; -0.50%; +0.53% and +0.20 respectively from real GNP through total Nonagricultural Wage and Salary to Government employment. These errors are consistent with our average errors. When negative, the errors reflect that most of our forecasts were generally below the actual values. That is, the national and state economies have done better than we (and others) expected. Our forecasts show moderating growth in real GNP and total Minnesota employment. The actual change in employment from 1983-2 through 1984-2 was +6.25%; that forecast for 1984-2 through 1985-2 and for 1985-2 through 1986-2 are +5.17% and +3.10% respectively. Similar values for real GNP are +7.71%, +3.43%, and 2.84% percent.

Quarter	Real GNP (Billions of 1972 Dollars)	MINNESOTA PAYROLL EMPLOYMENT, BY QUARTER (In Thousands)								
		Total Nonagricultural Wage & Salary	Mining	Contract Construction	Manufacturing	Transportation, Communications, & Public Utilities	Retail and Wholesale Trade	Finance, Insurance, & Real Estate	Services	Government
Current										
1984-II	1640.80	1808.70	10.65	68.52	364.68	96.11	452.25	105.42	411.78	299.29
FORCASTS										
1984-III	1660.10	1842.43	10.68	80.22	385.05	97.01	457.65	107.25	417.35	277.68
1984-IV	1674.77	1872.63	10.17	74.53	381.42	100.08	465.24	107.20	423.32	301.24
1985-I	1687.23	1829.85	9.87	55.98	376.73	97.47	452.56	107.55	421.38	303.81
1985-II	1697.13	1902.26	11.27	70.90	384.36	100.09	474.23	110.12	436.88	306.29
1985-III	1708.30	1928.09	11.46	82.56	400.68	100.50	477.25	111.93	441.20	235.53
1985-IV	1720.57	1947.03	10.85	76.07	392.22	102.81	483.96	111.66	447.46	307.16
1986-I	1732.48	1891.81	10.31	56.51	384.10	99.61	469.48	111.76	444.58	308.90
1986-II	1745.31	1961.24	11.59	71.48	389.89	102.24	489.76	114.28	461.47	310.51

Notes

1. These forecasts are produced using the Vector Autoregression model developed for Research by Rao Aiyagari.
2. The concept of employment forecasted is that of Nonagricultural Wage and Salary employment. The count represents the number of jobs held since the data is generated from a survey of employer payroll records. Groups included in labor force employment, but excluded here are the self employed, domestics, unpaid family workers, employees of nonprofit institutions, and those government workers not covered by unemployment insurance.
3. Employment forecasts are seasonally unadjusted values. Real GNP is seasonally adjusted.
4. Forecasts of major industry employment do not sum to the forecast of total wage and salary employment. This is due to random error in the forecasted values.
5. There is great diversity in the accuracy of our forecasts among the major industry division. More information on their accuracy can be obtained from the author on request.

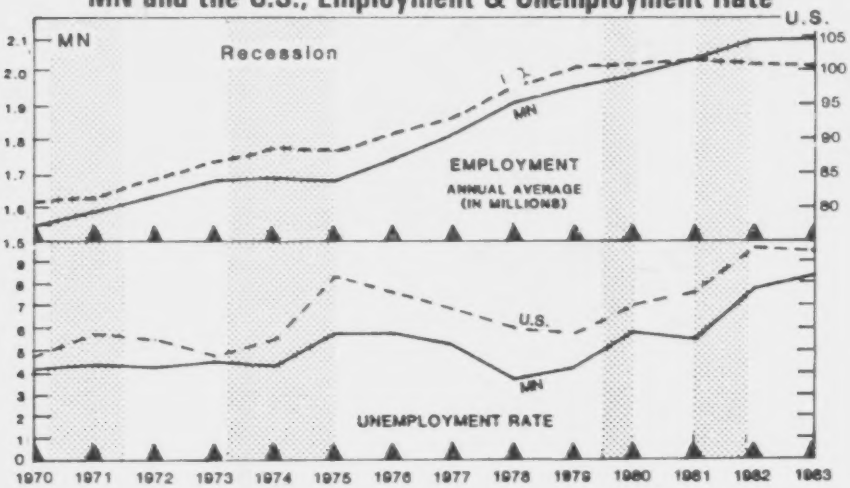
Labor Force Statistics

Labor Force Estimates	MINNESOTA (Numbers in '000's)			UNITED STATES (Numbers in '000,000's)		
	July 1984	Change From Last Mo.	Change From Year Ago	July 1984	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2290.3	-25.0	80.5	116.2	0.8	2.2
Employed	2152.9	-19.4	108.1	107.5	0.7	4.2
Unemployed	137.4	-5.6	-27.6	8.7	0.1	-2.0
Unemployment Rate						
Actual	6.0	-0.2	-1.5	7.5	0.1	-1.9
Seasonally Adjusted	6.4	0.2	-1.6	7.5	0.4	-2.0

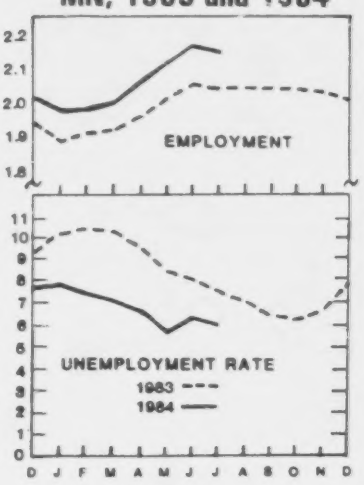
Historical Labor Force Series

Year	Minnesota (Annual Average in '000's)				United States (Annual Average in '000,000's)			
	Labor Force	Employment	Unemployment Number	Unemployment Rate	Labor Force	Employment	Unemployment Number	Unemployment Rate
1970	1625.0	1557.0	68.0	4.2	82.8	78.7	4.1	4.9
1971	1665.0	1593.0	73.0	4.4	84.4	79.4	5.0	5.9
1972	1709.0	1635.0	73.0	4.3	87.0	82.2	4.9	5.6
1973	1774.0	1694.0	80.0	4.5	89.4	85.1	4.4	4.9
1974	1779.0	1701.0	77.0	4.3	91.9	86.8	5.2	5.6
1975	1804.0	1697.0	107.0	5.9	93.8	85.8	7.9	8.5
1976	1849.0	1739.0	109.0	5.9	96.2	88.8	7.4	7.7
1977	1907.0	1809.0	97.0	5.1	99.0	92.0	7.0	7.1
1978	1979.0	1903.0	75.0	3.8	102.3	96.0	6.2	6.1
1979	2038.0	1953.0	85.0	4.2	105.0	98.8	6.1	5.8
1980	2109.0	1984.0	125.0	5.9	106.9	99.3	7.6	7.1
1981	2153.0	2034.0	119.0	5.5	108.7	100.4	8.3	7.6
1982	2166.0	1996.0	169.0	7.8	110.2	99.5	10.7	9.7
1983	2174.0	1997.0	178.0	8.2	111.5	100.8	10.7	9.6

MN and the U.S., Employment & Unemployment Rate



MN, 1983 and 1984



Labor Market Conditions

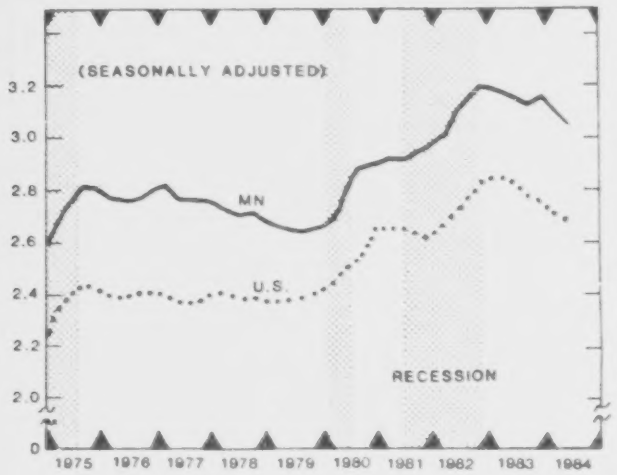
The table and graphs in this section describe the behavior of the market for labor services in terms of its quantity, price, and supply. The quantity of labor services, which is the number of employed persons, is classified by industry. The price of labor services is roughly indicated by the industry wage. Unemployment estimates provide a qualified measure of excess labor supply. The degree to which persons participate in the labor market and the effectiveness of the market in utilizing labor services are indicated by Labor Force Estimates and by Other Rates of Labor Utilization.

Labor Force And Establishment Data	MINNESOTA (Numbers in '000's)			UNITED STATES (Numbers in '000's)		
	II Qtr. 1984	Percent Change From		II Qtr. 1984	Percent Change From	
		Last Qtr	Year Ago		Last Qtr	Year Ago
LABOR FORCE ESTIMATES						
Total Labor Force	2264.7	5.1	2.9	113599	2.0	2.2
Employment	2124.5	6.5	5.5	105179	3.1	5.1
Nonagricultural	n.a.	n.a.	n.a.	101645	2.5	5.3
Agricultural	n.a.	n.a.	n.a.	3533	24.2	-0.7
Unemployment	140.2	-12.1	-25.6	8420	-10.5	-24.3
By Reason - New Reentrants-%*	n.a.	n.a.	n.a.	39.3	4.0	18.0
By Reason - Quit-%*	n.a.	n.a.	n.a.	9.4	6.8	30.6
By Reason - Lost-%*	n.a.	n.a.	n.a.	51.4	-3.7	-13.6
Unemployment Rates						
Actual	6.2	-16.2	-27.9	7.4	-11.9	-26.0
Seasonally Adjusted	6.1	-3.2	-28.2	7.5	-5.1	-25.7
OTHER RATES OF LABOR UTILIZATION						
Participation Rt (Labor Force/Population 16+)	n.a.	n.a.	n.a.	64.5	0.6	0.8
Full Employment Deficit - Percent of Workers1/	2.2	3.4	4.6	3.4	4.4	6.0
Manpower Utilization Rate2/	84.4	0.7	3.2	83.1	0.6	4.0
NONAGRICULTURAL WAGE AND SALARIED POSITIONS						
Employment*	1798.8	1.9	5.5	93728	1.0	4.6
Mining	10.0	7.5	11.1	991	1.4	5.3
Construction	69.3	7.8	17.1	4299	2.9	11.4
Manufacturing	366.2	2.5	6.7	19576	1.1	7.0
Durables	220.3	3.4	8.6	11604	1.5	9.3
Nondurables	145.9	1.2	3.9	7972	0.5	3.8
Trans., Comm., & Public Utilities	95.9	1.8	3.2	5144	0.8	2.9
Trade	450.4	2.4	5.7	21636	1.1	4.7
Fin., Ins., & Real Estate	104.9	1.7	4.5	5655	1.1	3.6
Services	409.5	1.0	5.2	20549	1.4	5.2
Government	292.6	0.3	2.6	15878	0.1	0.3
Average Weekly Hours*						
Mining	39.1	6.5	15.0	43.5	1.2	3.3
Construction	36.9	-2.9	1.4	38.1	3.8	1.9
Manufacturing	40.7	0.5	4.4	40.8	0.0	2.0
Durables	41.8	0.5	5.3	41.5	-0.2	2.7
Nondurables	39.3	0.3	2.3	39.9	0.0	1.0
Trans., Comm., & Public Utilities	38.5	1.0	1.3	39.4	0.3	1.3
Trade	30.5	0.3	1.3	32.3	0.3	0.9
Fin., Ins., & Real Estate	n.a.	n.a.	n.a.	36.4	0.0	0.6
Services	n.a.	n.a.	n.a.	32.8	0.0	0.3
Average Hourly Wage						
Mining	13.07	1.8	8.2	11.59	0.4	3.4
Construction	14.99	-2.0	2.6	11.95	-0.5	1.1
Manufacturing	9.65	-0.2	0.7	9.11	0.3	3.9
Durables	9.73	-0.2	1.1	9.67	0.3	3.9
Nondurables	9.53	-0.3	-0.1	8.29	0.4	3.1
Trans., Comm., & Public Utilities	11.19	0.2	2.1	11.05	0.1	3.1
Trade	7.52	0.1	2.7	6.73	0.0	3.7
Fin., Ins., & Real Estate	n.a.	n.a.	n.a.	7.56	0.3	4.3
Services	n.a.	n.a.	n.a.	7.56	0.1	4.3
Estimates of Labor Turnover (Mfg. Only)	Estimates of Labor Turnover have been discontinued as of January 1, 1982.					

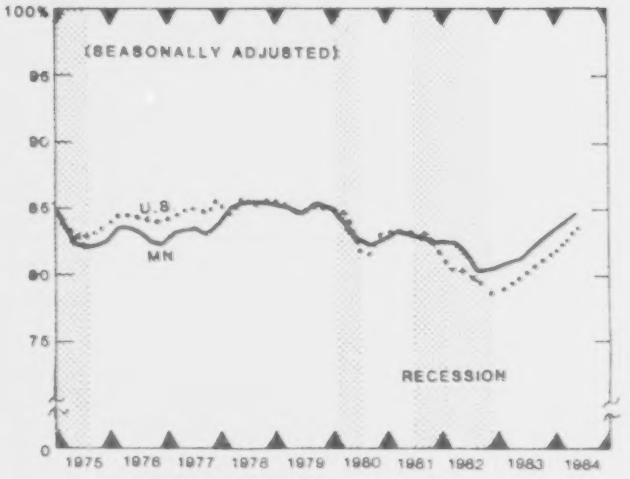
a/ Values are numerical values, not percent changes.

Labor Market Conditions

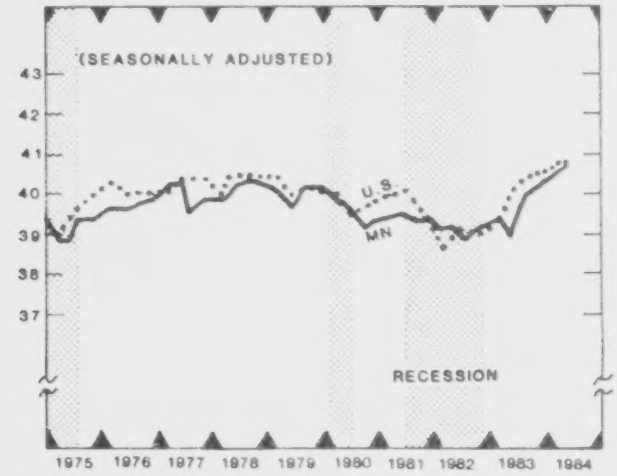
Ratio of Service to Goods Producing Jobs



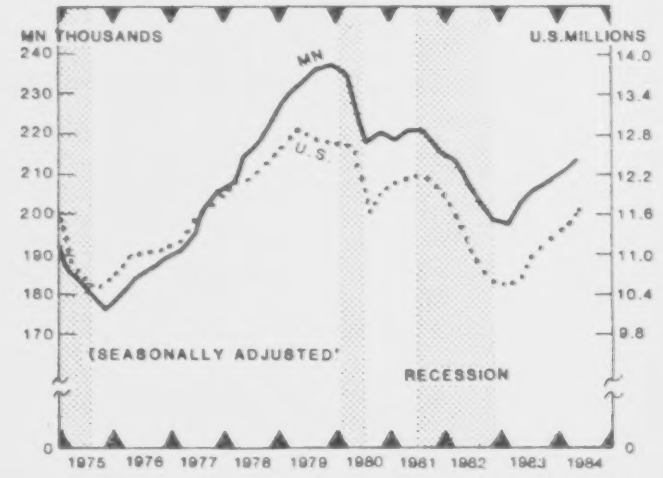
Manpower Utilization Rate



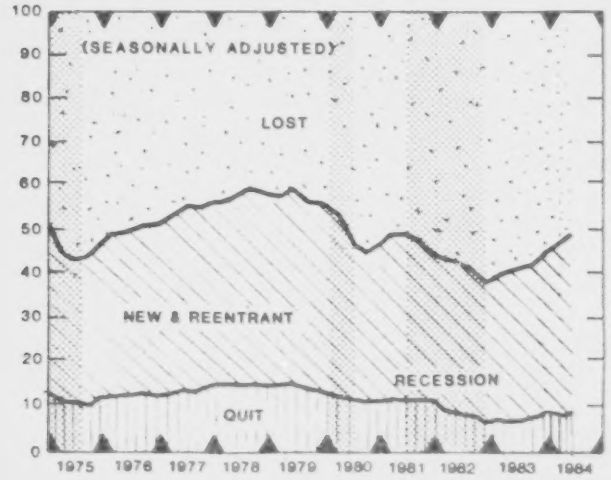
Average Weekly Hours, Manufacturing



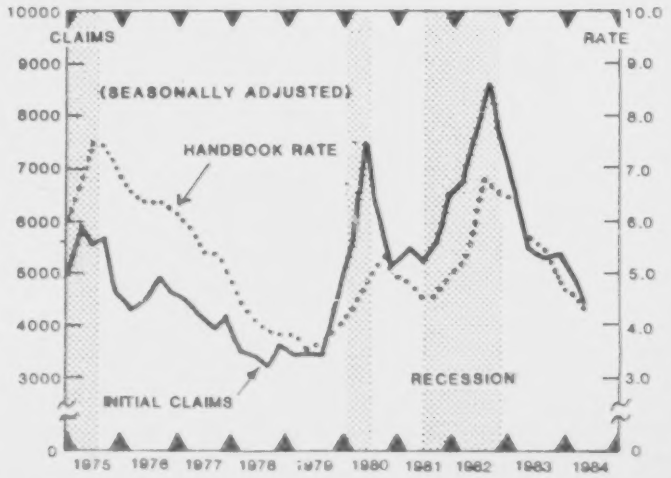
Manufacturing Employment, Durable Goods



U.S. Unemployment: Percent Distribution by Reason



MN Weekly Initial Claims & Handbook Unemployment Rate [1]



Labor Market Conditions

The Table below provides data on persons who file claims for unemployment compensation in Minnesota. Only those claiming benefits from the regular State program are represented, since data on the characteristics of Federal employees and veterans are not available, and data on those receiving benefits from extended programs is reported only when those programs are in effect. If those receiving extended benefits were included they would distort the numerical comparisons over time, but would not substantially change the percentage distributions other than to increase the proportion of long-term unemployed.

Persons Claiming Benefits	Second Quarter 1984			April 1984			Percent Long Term
	Number	Percent Change From		Number	Percent Change From		
		Last Qtr.	Year Ago		Month Ago	Year Ago	
By Age & Sex							
Male	22209	-49.1	-33.9	14767	-4.8	-30.3	22.3
Under 45	16992	-50.0	-34.6	11435	-3.6	-28.9	20.9
Under 25	3841	-55.5	-41.6	2519	-3.1	-34.1	18.7
25-34	8632	-49.4	-33.6	5738	-4.2	-27.4	21.0
35-44	4519	-45.7	-29.2	3178	-3.1	-27.1	22.5
45 and Over	5217	-45.9	-31.8	3332	-8.4	-34.9	27.2
45-54	2865	-48.0	-32.3	1814	-8.1	-34.7	24.7
55 and Over	2352	-43.2	-31.0	1518	-8.7	-35.2	30.2
Female	11257	-9.8	-23.5	13187	3.1	-5.8	17.5
Under 45	8162	-9.9	-24.5	9702	4.3	-4.7	16.3
Under 25	1867	-23.9	-32.4	1868	-1.8	-20.3	14.9
25-34	3834	-5.1	-21.4	4761	4.7	3.0	15.8
35-44	2461	-4.1	-22.3	3073	7.7	-4.4	18.0
45 and Over	3095	-9.7	-21.0	3485	-0.1	-8.7	20.7
45-54	1707	-7.8	-21.7	1991	1.2	-7.0	18.9
55 and Over	1388	-12.0	-20.1	1494	-1.8	-10.8	23.1
By Industry	33466	-40.4	-30.8	27954	-1.2	-20.6	20.0
Ag., For., Fish.	514	-72.0	-27.5	288	-0.3	-15.0	15.9
Mining	390	-81.8	-74.8	116	-26.1	-90.9	40.2
Construction	7409	-60.7	-23.6	2349	-28.6	-35.4	20.7
Manufacturing	8891	-30.5	-36.7	7793	5.0	-17.2	22.0
Pub. Utilities	1569	-33.5	-37.0	1250	-3.0	-36.4	21.0
Wholesale Trade	2029	-32.0	-42.3	1755	-0.5	-33.5	25.2
Retail Trade	3921	-29.3	-37.2	3418	-1.6	-36.5	26.7
Fin., Ins., Real Est.	906	-10.0	-22.7	960	4.6	-8.9	28.4
Services	6716	-1.5	-9.6	9008	3.5	8.8	14.1
Public Admin.	607	-50.9	-15.0	575	9.1	-6.0	18.3
Inf. Not Available	514	-11.7	-32.4	442	-5.4	-27.2	3.0
By Occupation	33466	-40.4	-30.8	27954	-1.2	-20.6	20.0
Prof., Tech., Mgr.	4891	2.8	-22.1	6680	7.3	-3.7	16.1
Clerical	3710	-7.8	-28.9	4114	4.9	-18.4	22.0
Sales	1296	-16.2	-34.0	1274	3.6	-24.4	28.0
Services	2723	-20.0	-21.3	2885	-1.2	-8.8	19.2
Farm., For., Fish.	457	-71.2	-16.9	210	-11.8	-8.7	20.9
Processing	1847	-39.1	-34.4	1118	-16.3	-34.4	19.1
Machine Trade	1819	-28.9	-45.5	1618	0.9	-28.5	23.0
Benchwork	2675	-29.9	-33.1	2612	8.2	-9.0	22.0
Structural Work	8417	-58.3	-27.2	3622	-15.4	-28.8	20.0
Misc.	5286	-50.8	-38.2	3482	-8.2	-38.4	20.4
Inf. Not Available	345	-26.1	-41.6	339	-0.6	-38.4	18.9
By Duration	33466	-40.4	-30.8	27954	-1.2	-20.6	-
0-14 Weeks	24934	-47.2	-24.2	22363	-0.9	-13.4	-
15+ Weeks (Long-Term)	8532	-4.0	-44.7	5591	-2.7	-40.3	-

Labor Market Conditions

Minnesota Nonagricultural Wage & Salary Employment, Hours, and Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PER CENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	July 1984	June 1984	July 1983	June 1984	July 1983	July 1984	June 1984	July 1984	June 1984	July 1984	June 1984
TOTAL NONAGRICULTURAL	1819.7	1832.2	1716.4	-0.7	6.0						
MANUFACTURING	375.1	372.9	348.3	0.6	7.7	382.40	390.42	9.56	9.64	40.0	40.5
Durable Goods	224.7	225.2	205.4	-0.2	9.4	393.87	405.32	9.63	9.72	40.9	41.7
Furniture, Lumber and Wood	16.9	16.8	15.6	0.6	8.5	396.21	423.42	9.98	10.01	39.7	42.3
Stone, Clay and Glass	9.9	9.8	9.5	1.2	4.6	384.29	384.92	10.06	10.05	38.2	38.3
Primary Metals	6.1	6.2	5.5	-1.5	11.1	367.20	383.72	9.00	9.05	40.8	42.4
Fabricated Metals	34.4	34.1	32.5	1.1	6.0	451.11	454.62	10.87	10.85	41.5	41.9
Nonelectrical Machinery	88.2	88.0	79.5	0.2	10.9	413.66	425.57	9.92	9.99	41.7	42.6
Electrical Machinery	29.5	29.3	26.1	0.8	13.1	319.56	322.32	7.91	7.90	40.4	40.8
Transportation Equipment	5.9	7.4	5.0	-21.0	16.5	375.72	468.03	9.01	10.71	41.7	43.7
Other Durable Goods 2/	33.8	33.6	31.7	0.6	6.8	377.81	371.16	9.26	9.21	40.8	40.3
Nondurable Goods	150.3	147.7	143.0	1.8	5.1	367.82	370.15	9.48	9.54	38.8	38.8
Food and Kindred	48.1	45.8	48.2	4.9	-0.3	313.94	317.22	8.24	8.37	38.1	37.9
Textile and Apparel	5.3	5.3	5.1	-0.2	4.7	219.83	219.73	5.99	6.02	36.7	36.5
Paper and Allied	34.1	34.0	32.7	0.4	4.3	482.54	479.70	11.17	11.13	43.2	43.1
Printing and Publishing	40.5	40.0	35.6	1.2	13.6	368.28	373.83	10.23	10.27	36.0	36.4
Chemical and Petroleum	9.7	9.6	9.5	0.7	2.1	464.63	455.80	11.25	11.09	41.3	41.1
Rubber and Leather	12.6	12.9	11.9	-2.1	6.3	302.02	310.31	7.99	8.06	37.8	38.5
NONMANUFACTURING	1444.7	1459.3	1368.1	-1.0	5.6						
Mining and Quarrying	11.2	11.1	10.5	0.6	6.7	528.12	512.31	13.17	13.17	40.1	38.9
Metal Mining	8.7	8.7	8.1	0.1	7.6	545.80	533.74	14.14	14.12	38.6	37.8
Construction	81.8	77.2	69.5	5.9	17.6	591.07	543.16	14.74	14.68	40.1	37.0
Building	22.9	21.2	19.4	8.1	18.5	507.68	499.74	13.36	13.58	38.0	36.8
Highway and Heavy	16.5	15.0	14.0	9.4	17.1	555.54	477.98	12.98	12.48	42.8	38.3
Special Trades	42.4	41.0	36.1	3.5	17.4	651.64	591.97	16.21	16.13	40.2	36.7
Transportation	60.9	61.9	57.7	-1.5	5.6						
Railroads	10.2	10.4	10.8	-1.9	-6.0	550.10	550.10	11.83	11.83	46.5	46.5
Trucking and Warehousing	25.4	25.1	23.8	1.0	6.8	423.26	425.29	11.66	11.62	36.3	36.6
Public Utilities	34.6	34.5	34.2	0.3	1.1	531.20	531.62	12.80	12.81	41.5	41.5
Communications	20.0	20.0	20.1	-0.2	-0.4	513.65	513.32	11.89	11.91	43.2	43.1
Elec., Gas and Sanitary	14.6	14.5	14.2	1.0	3.4	550.42	554.21	13.97	13.96	39.4	39.7
Trade	464.1	461.7	432.0	0.5	7.4	232.06	230.58	7.51	7.56	30.9	30.5
Retail	347.8	346.5	321.3	0.4	8.3	185.98	184.80	6.48	6.53	28.7	28.3
General Merchandise	49.0	48.2	43.3	1.7	13.1	164.99	168.19	5.83	5.84	28.3	28.8
Food Stores	47.1	46.7	45.2	0.9	4.1	222.21	222.14	7.61	7.53	29.2	29.5
Automotive	36.5	36.5	34.1	-0.2	7.0	315.09	317.58	8.38	8.63	37.6	36.8
Eating and Drinking	119.5	119.2	109.0	0.2	9.6	108.09	105.78	4.58	4.66	23.6	22.7
Wholesale	116.3	115.1	110.7	1.0	5.1	401.95	399.77	10.28	10.33	39.1	38.7
F.I.R.E.	106.7	106.3	102.0	0.3	4.5						
Finance	49.3	49.1	48.8	0.4	1.0						
Insurance	38.0	38.1	35.8	-0.3	6.2						
Real Estate	19.4	19.2	17.5	1.2	10.8						
Service Industries	412.5	410.9	394.7	0.4	4.5						
Hotel and Lodging	25.6	25.1	22.9	2.0	11.8						
Business Services	69.5	69.1	62.8	0.6	10.7						
Health Services	130.7	128.2	134.6	1.9	-2.9						
Private Education	17.3	20.0	17.0	-13.5	1.6						
Soc. Serv., Museums etc.	90.4	89.8	85.1	0.7	6.3						
Government	272.9	295.7	267.5	-7.7	2.0						
Federal	31.6	31.4	30.5	0.7	3.4						
State	64.7	70.4	62.8	-8.1	3.0						
Local	176.7	193.9	174.1	-8.9	1.4						

1/ Totals may not add because of rounding.
2/ Includes Scientific Instruments and Miscellaneous Industries.

Labor Market Conditions

Labor Force Data: State, SMSAs, and Counties

Area or County	July, 1984 Prelim.		
	Labor Force[1/]	Unemp.	Un. Rate
State of Minnesota	2290294	137396	6.0
Metropolitan Areas			
Duluth/Superior (Duluth City Only)	36100	3314	9.2
Fargo/Moorhead (Clay County, MN Only)	28282	1596	5.6
Minneapolis/St. Paul SMSA[2/]	1234666	62103	5.0
Rochester SMSA (Olmsted Co.)	60874	2537	4.2
St. Cloud SMSA[3/]	82848	6338	7.7
Counties			
Aitkin	5969	773	13.0
Anoka	117177	6173	5.3
Becker	14008	1482	10.6
Beltrami	17293	1353	7.8
Benton	12859	1055	8.2
Big Stone	4416	264	6.0
Blue Earth	29424	1392	4.7
Brown	16347	879	5.4
Carlton	12272	1236	10.1
Carver	21803	822	3.8
Cass	11915	1019	8.6
Chippewa	8516	600	7.0
Chisago	15263	698	4.6
Clay	28282	1596	5.6
Clearwater	4500	709	15.8
Cook	2642	215	8.1
Cottonwood	8499	820	9.6
Crow Wing	19097	1523	8.0
Dakota	115391	5456	4.7
Dodge	9419	647	6.9
Douglas	14839	792	5.3
Faribault	11942	556	4.7
Fillmore	13670	849	6.2
Freeborn	19172	1412	7.4
Goodhue	21527	1396	6.5
Grant	3879	197	5.1
Hennepin	562540	29371	5.2
Houston	10758	566	5.3
Hubbard	6489	685	10.6
Isanti	10979	752	6.8
Itasca	17515	1845	10.5
Jackson	8740	530	6.1
Kanabec	5926	576	9.7
Kandiyohi	19878	1063	5.3
Kittson	3878	346	8.9
Koochiching	8048	675	8.4
Lac qui Parle	6451	328	5.1
Lake	4383	577	13.2
Lake of the Woods	2110	166	7.9
Le Sueur	13429	946	7.0
Lincoln	4560	246	5.4
Lyon	16564	817	4.9
McLeod	18611	892	4.8
Mahnomen	3304	341	10.3
Marshall	7079	866	12.2
Martin	14913	786	5.3
Meeker	12103	1048	8.7
Mille Lacs	9605	748	7.8
Morrison	13985	1311	9.4
Mower	18629	1117	6.0
Murray	7014	450	6.4
Nicollet	15109	679	4.5
Nobles	13227	804	6.1
Norman	5235	303	5.8
Olmsted	60874	2537	4.2
Otter Tail	27515	2176	7.9
Pennington	6671	543	8.1
Pine	10445	910	8.7
Pipestone	6223	249	4.0
Polk	18824	1740	9.2
Pope	6229	346	5.6
Ramsey	274572	14173	5.2
Red Lake	2437	318	13.0
Redwood	11723	538	4.6
Renville	12918	1019	7.9
Rice	24998	1782	7.1
Rock	6555	230	3.5
Roseau	6716	535	8.0
St. Louis (Inc. Duluth)	87155	8651	9.9
Scott	25962	1165	4.5
Sherburne	15139	1123	7.4
Sibley	9309	554	6.0
Stearns	54850	4160	7.6
Steele	17881	999	5.6
Stevens	6355	289	4.5
Swift	7112	678	9.5
Todd	12920	947	7.3
Traverse	3180	132	4.2
Wabasha	10909	794	7.3
Wadena	6037	476	7.9
Waseca	9443	440	4.7
Washington	67171	2850	4.2
Watonwan	7207	416	5.8
Wilkin	4734	266	5.6
Winona	23568	1764	7.5
Wright	34787	1395	4.0
Yellow Medicine	8692	453	5.2

Technical Notes:

1/ Labor force data is computed according to BLS methodology. The method includes an adjustment to assure that the sum of the substate areas equals the separately estimated State total. This adjustment is Applied to all county and SMSA areas. County and area unemployment was multiplied by an adjustment factor of 1.63; employment was multiplied by 1.03. For a more detailed explanation see the Review of Labor and Economic Conditions, Vol. 4, No. 4, (February 1978 issue), p. 29.

2/ Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey, Scott, Washington, and Wright Counties.

3/ Benton, Sherburne, and Stearns Counties.

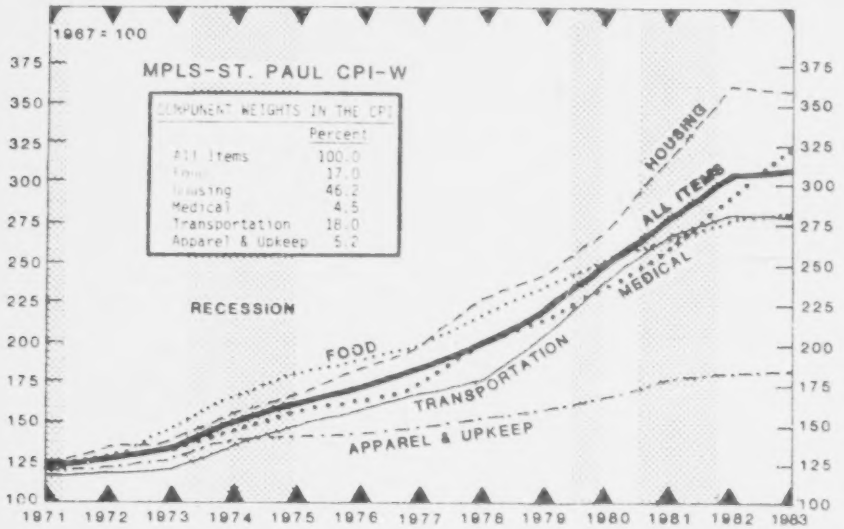
Income & Purchasing Power

This section describes how Minnesotans fare with respect to their ability to acquire goods and services needed to meet their needs and wants and how they compare with others in the United States in this respect. Real Per Capita Personal Income measures money income received by all individuals from wages and salaries, dividends, rent, professional and farm income, personal interest payments, and transfer payments, less personal contributions for social security, all adjusted for the price level as indicated by the CPI and for population. The Consumer Price Index (CPI) measures changes in the price of a representative combination of goods and services consumed by urban wage and salary workers relative to 1967. The inverse of the CPI (1/CPI) indicates the value of the dollar; when the CPI increases the value of the dollar falls. The change in the CPI over any period of time divided by the value at the beginning of the period gives the percentage change, or the rate of inflation.

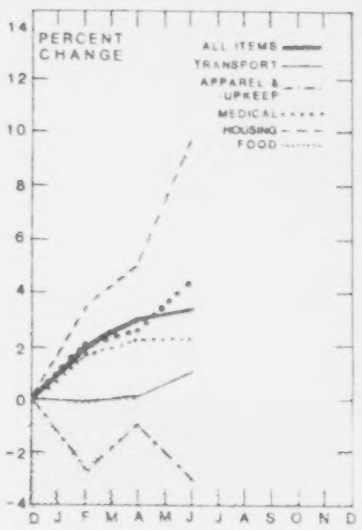
Income And Purchasing Power	MINNESOTA			UNITED STATES		
	II Qtr. 1984	Percent Change from		II Qtr. 1984	Percent Change from	
		Last Qtr.	Year Ago		Last Qtr.	Year Ago
INCOME STATISTICS						
Personal Income 1/*						
Total Personal Income (in Billions)	54.1	3.2	12.5	2984.8	2.2	10.0
Due to Labor 2/	n.a.	n.a.	n.a.	1985.5	64.7	64.2
Due to Property 3/	n.a.	n.a.	n.a.	715.0	31.3	37.4
Due to Transfer Payments 4/	n.a.	n.a.	n.a.	416.0	7.3	3.2
Total Disposable Personal Income	n.a.	n.a.	n.a.	2557.6	2.2	11.1
As Percent of Total Pers. Inc.	n.a.	n.a.	n.a.	85.7	0.0	1.1
Per Capita Personal Income 5/						
Current dollar Value	12916	3.2	11.7	12632	2.0	9.0
Real (1967) Dollar Value	3974	1.0	7.2	4139	1.3	5.7
Real Median Family Money Income 5/*						
All Families	9115	0.6	5.9	9173	1.1	5.0
Four Person Families	9391	0.3	4.8	10704	1.2	5.1
Earnings of Production Workers in Mfg. 6/						
Average Weekly Earnings	391.01	-0.4	5.0	372.13	0.8	6.1
Real Average Weekly Earnings 7/	120.31	-2.6	0.8	121.93	0.1	2.9
Income Related Criteria 8/						
Standard Budgets	The U.S. Department of Labor, Bureau of Labor Statistics has discontinued the preparation of Standard Budgets, therefore, this data is no longer available.					
Low						
Moderate						
High						
Poverty Level Income						
Family of Four	10200	---	3.0	10200	---	3.0
MEASURES OF PRICE CHANGE AND INFLATION						
Consumer Price Level (CPI) 9/	325.0	2.2	4.1	305.2	0.7	3.1
Food	308.0	0.7	4.4	301.8	0.2	3.3
Housing	383.1	3.9	3.6	324.7	0.2	1.1
Transportation	292.9	0.9	4.5	314.0	1.9	5.8
Medical	353.3	1.6	11.7	375.1	1.2	6.5
Purchasing Power of the Dollar (1/CPI)	.31	-2.2	-3.8	.33	-0.6	-3.0
Wholesale Price Index	n.a.	n.a.	n.a.	311.5	0.7	3.3
Industrial Commodities	n.a.	n.a.	n.a.	323.2	0.8	3.0

Income & Purchasing Power

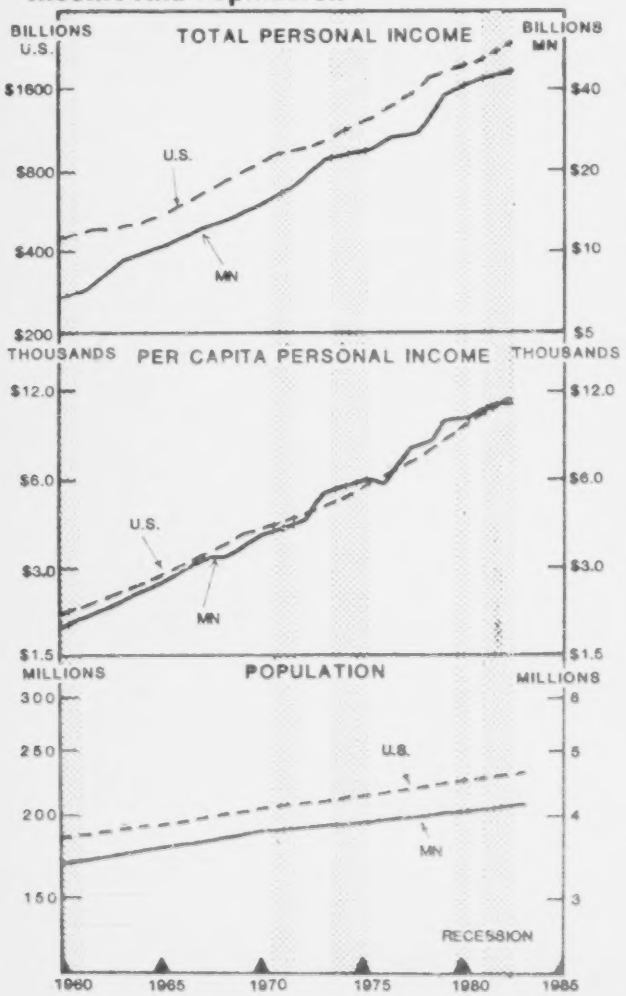
Consumer Price Index- Major Components



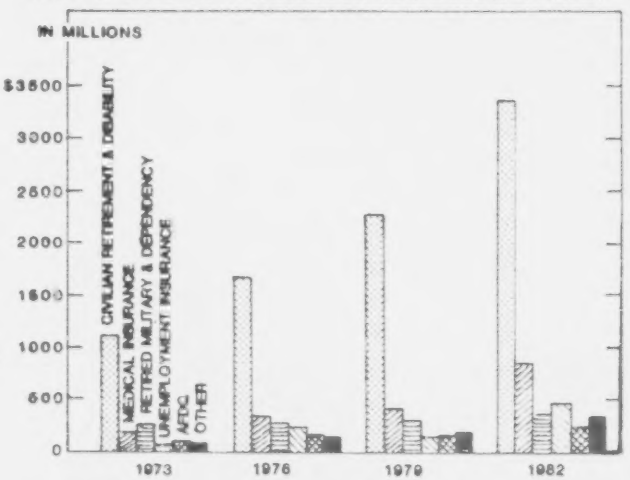
% △ From Dec. 1983



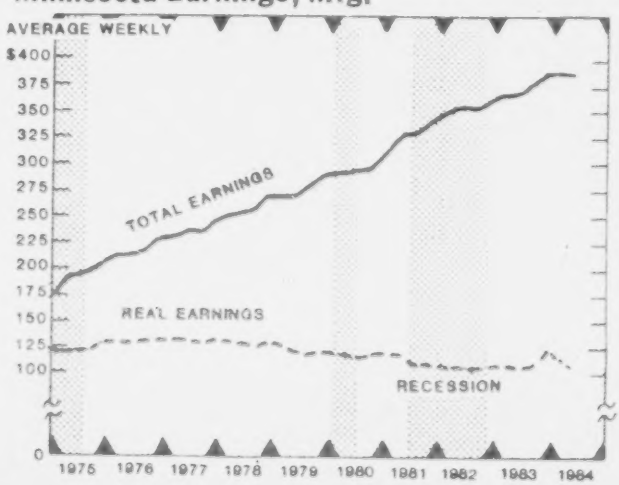
U.S. & MN Personal Income And Population



Government Transfer Payments To Individuals In Minnesota *(Selected Years)*



Minnesota Earnings, Mfg.



Output, Expenditures, Money, & Credit Conditions

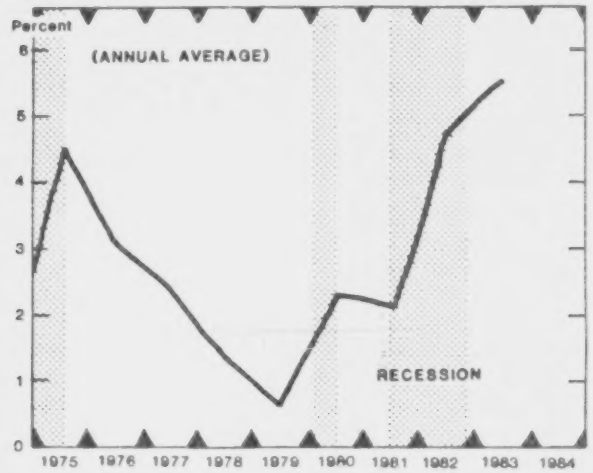
The overall level and composition of National Output shape labor market conditions, and nominal and real earnings. (Nominal values are not adjusted for inflation; real values are adjusted for inflation.) Personal Consumption Expenditures, especially on Durable Goods, together with data on Retail Sales, are frequently used as indicators of future levels of employment. The number of Building Permits influences the level of employment in construction and related industries. The Federal Budget Deficit is a key indicator of the stimulatory effect of government policy. Whether this effect results in inflation, improved employment conditions, or some combination of the two, depends in part, upon the degree to which present productive capacity is utilized. Present and anticipated Money and Credit Conditions determine the ability of consumers, business, and State and Local governments to borrow in order to finance purchases, which, in turn, generate income and employment. Unfortunately, most data of this kind is available only for the Nation. However, in an economy as interdependent as ours, analysis of the directions of change of key national indicators is a useful tool for understanding the course of the State economy.

Output, Expenditure, Money, And Credit Conditions	MINNESOTA			UNITED STATES		
	II. Qtr. 1984	Percent Change from		II. Qtr. 1984	Percent Change from	
		Last Qtr.	Year Ago		Last Qtr.	Year Ago
OUTPUT AND EXPENDITURE						
Retail Sales (in millions of dollars)*	2108	1.6	15.4	108189	2.7	11.5
Private Housing Units Authorized by* Building Permits 1/	30140	-15.9	8.5	1757	-2.9	5.8
Index of Industrial Production 2/*	n.a.	n.a.	n.a.	162.9	1.9	12.7
Gross National Product (in billions of 1972 dollars) 3/*	n.a.	n.a.	n.a.	1640.2	1.8	7.6
Personal Consumption Expenditures	n.a.	n.a.	n.a.	1061.7	1.7	5.5
Durable Goods	n.a.	n.a.	n.a.	177.6	2.2	13.7
As Percent of Pers. Cons.	n.a.	n.a.	n.a.	16.7	0.6	7.7
Nondurable Goods	n.a.	n.a.	n.a.	396.0	2.3	5.6
Services	n.a.	n.a.	n.a.	488.0	1.0	2.7
Gross Private Domestic Investment	n.a.	n.a.	n.a.	286.2	0.2	34.6
As Percent of GNP	n.a.	n.a.	n.a.	17.4	-1.7	25.2
Nonresidential, Fixed	n.a.	n.a.	n.a.	202.6	4.8	22.6
Residential	n.a.	n.a.	n.a.	62.0	2.3	16.1
Net Exports	n.a.	n.a.	n.a.	-10.0	#	#
Government Purchases	n.a.	n.a.	n.a.	302.4	4.5	3.4
Federal	n.a.	n.a.	n.a.	123.7	10.2	5.5
State and Local	n.a.	n.a.	n.a.	178.7	0.8	2.0
GNP Gap (Full Empl. Minus Present GNP)*						
1972 Dollars (in billions)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Current Dollars (in billions)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Current Federal Budget Deficit 4/*						
As Percent of GNP	n.a.	n.a.	n.a.	-4.6	-4.5	-5.1
Inventory to Sales: Durable Goods in Mfg.*	n.a.	n.a.	n.a.	1.85	2.8	-10.6
New Orders to Shipments: Durable Goods*	n.a.	n.a.	n.a.	1.03	-3.6	-0.6
Plant Capacity Utilization Rate in Mfg. 5/*	n.a.	n.a.	n.a.	81.7	1.2	10.7
MONEY AND CREDIT CONDITIONS						
Interest Rates						
Discount Rate	8.96	5.4	5.4	8.96	5.4	5.4
Prime Rate	n.a.	n.a.	n.a.	12.30	11.1	17.1
Rate on Conventional Mortgages	11.40	-4.8	-10.4	12.15	-0.5	-4.6
Federal Funds Rate	n.a.	n.a.	n.a.	10.56	9.0	20.0
Consumer Installment Credit Outstanding	n.a.	n.a.	n.a.	417772	4.7	17.2
As Percent of Disposable Personal Income	n.a.	n.a.	n.a.	16.3	2.5	5.6

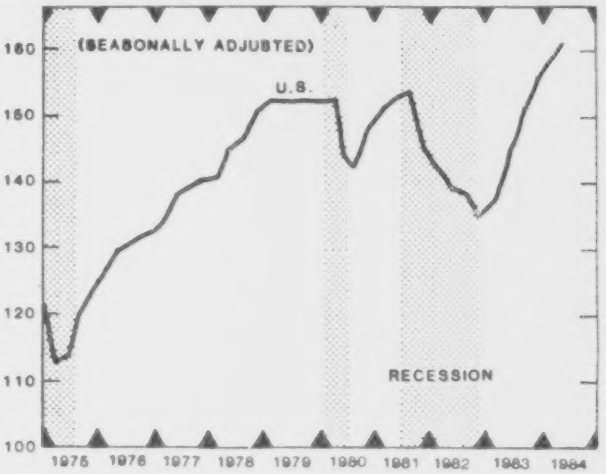
Percentage change not applicable

Output, Expenditures, Money, & Credit Conditions

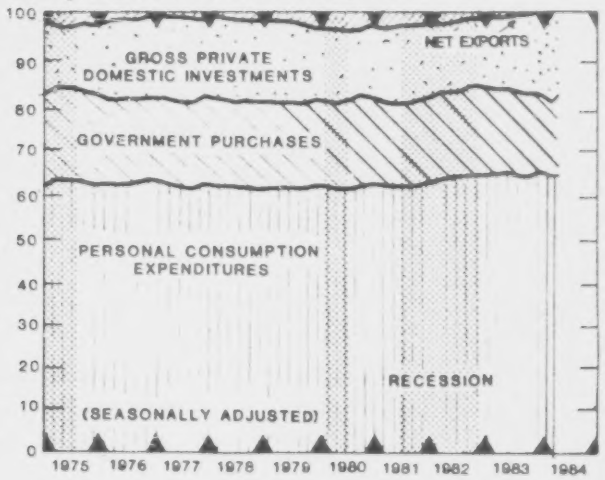
Federal Deficit as % of GNP (Current Dollars)



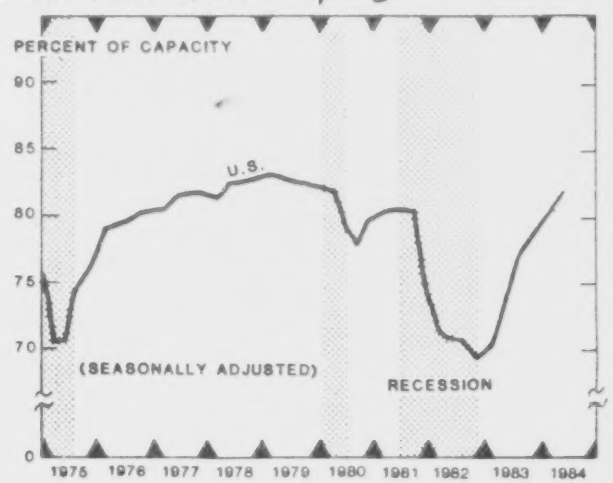
Index of Industrial Production



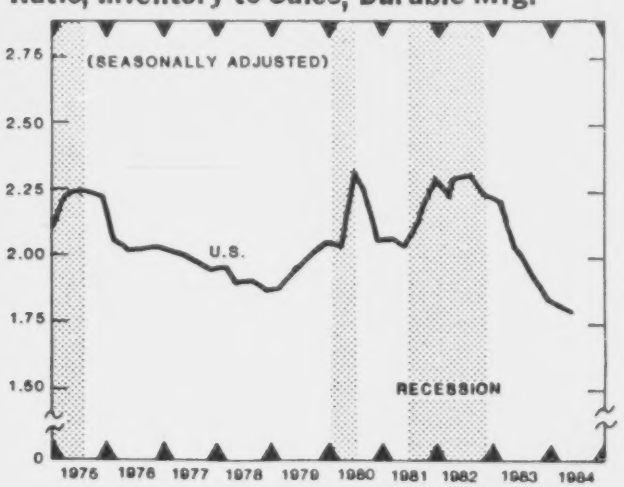
Composition of GNP in Percent



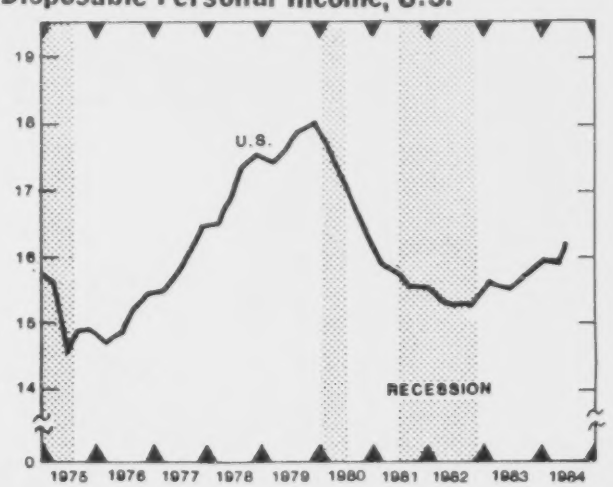
Plant Utilization Rates, Mfg.



Ratio, Inventory to Sales, Durable Mfg.



Ratio, Consumer Installment Debt to Disposable Personal Income, U.S.



Technical Notes

For the reader's convenience the notes which follow are organized in sequence for the pages which appear in the statistical section. Each note corresponds to the footnote or reference notation for the given page.

* Wherever an asterik appears the data is seasonally adjusted.

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1/ Four percent is a generally agreed upon criteria for measuring full employment. It allows for the movement of persons between jobs. Labor Force Unemployment Rate less four percent, based on official estimates.
2/ Estimated worker hours expended in nonfarm payroll employment as a percent of potential worker hours assuming that each member of the nonfarm labor payroll labor force was employed at a standard rate of 40 hours per week.

Page S-3

1/ The handbook unemployment rate is the estimate of unemployment prior to the Current Population Survey (CPS) adjustment.

Page S-7

1/ In billions of dollars at an annual rate.
2/ The contribution to total Personal Income of wages, salaries, and other labor income. Percent change entry in Labor Income Impact is the percent that the change in labor income comprises of the change in total Personal Income. This is not available for Minnesota on a quarterly basis.
3/ The figure for the quarter is the contribution to total Personal Income of proprietor's rental, dividend, and interest income. The percent change entry in Property Income Impact is analogous to the Labor Income Impact described in 2/ above.
4/ The contribution to total Personal Income of transfer payments (unemployment compensation, AFDC, etc.) The percent change entry is analogous to the Labor Income Impact in 2/ above.
5/ In dollars at an annual rate.
6/ In dollars per week.
7/ Real average weekly earnings are the average weekly earnings of production workers in manufacturing divided by the CPI.
8/ Annual data.
9/ Value is CPI-W (Urban Wage earners and clerical workers).

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1/ U.S. data annualized in thousands. Source: Bureau of the Census.
2/ Base Year is 1967. Source: Federal Reserve Board.
3/ Totals may not add due to rounding.
4/ Values shown in percent change columns are deficit as percent of GNP for period cited.
5/ Source: Federal Reserve Board.

Available Publications

Review of Labor and Economic Conditions and its Monthly Supplement (Recent Issues)

Labor Market Information Summary for 1985 for Minneapolis-St. Paul SMSA (May 1984), St. Cloud SMSA (June 1984), Duluth SMSA (Sept. 1984), and Minnesota April 1984)

Minnesota Nonagricultural Wage & Salary Employment, Hours, and Earnings, January 1950 - December 1983 (April 1984)

Employment, Hours, and Earnings, January 1970 - February 1984, Minneapolis - St. Paul Area (April 1984)

1982 Occupational Employment Statistics in Minnesota (April 1984)

1984 Minnesota Salary Survey by Area (September 1984)

1984 Minnesota Hospitals and Nursing Homes Salary Survey (September 1984)

1984 Minnesota Wage Data by Industry and Size of Firm (September 1984)

Minnesota Labor Market Information Directory (June 1984)

Minnesota Employment and Wage Data by County (Fourth Quarter 1983) Limited number available for 1975-1982

Average Covered Employment & Wages by Economic Region for the Calendar Year 1982 by Two Digits of Industry (also available for 1976-81)

Unemployment Compensation Program Statistics: Total Wages, Taxable Wages, Contributions Due, and Benefits Paid, 1950 - 1978

Cyclical Sensitivity in Minnesota (August 1981)

Write to: Director, Research and Statistical Services Office
Minnesota Department of Economic Security
390 North Robert Street
St. Paul, Minnesota 55101

8/20/84 S4160-3 A

CURRENT MINNESOTA LABOR MARKET CONDITIONS

July 1984 Supplement to The Review of Labor and Economic Conditions
Prepared by the Research and Statistical Services Office, MN Dept. of Economic Security, 390 N. Robert St., St. Paul MN 55101, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, and Employment and Training Admin.

Nation

After slow growth in May, the Nation's economy accelerated somewhat in June, according to a majority of the economic reports for June. However, most of the indicators did not rise as strongly in the second quarter as in the first quarter, indicating that there may be some moderation in the rapid growth of the economy.

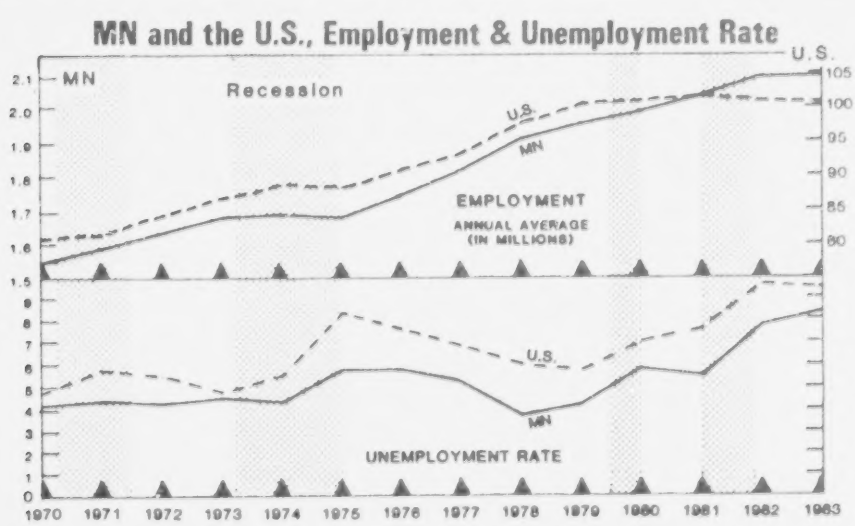
Labor market conditions improved in June as the unemployment rate fell substantially and nonfarm payroll employment rose considerably more than in May. The seasonally adjusted unemployment rate dropped from 7.5 percent in May to 7.1 percent in June, the lowest since the 6.9 percent rate in April 1980 and 3.1 percentage points below the recession high. Also, total employment (seasonally adjusted) rose sharply again in June, rising by 460,000 after a surge of 886,000 in May. Moreover, seasonally adjusted nonfarm payroll employment climbed by 301,000 in June after a gain of 269,000 in May. The June increases in employment in construction, durable goods manufacturing and services were significantly larger than in May. However, except for construction and services, the growth in payroll employment slowed between the first and second quarters of this year. Most of the second quarter decline in employment growth was in manufacturing employment which rose only half as much as it did in the first quarter.

State

Even though the employment and unemployment figures were somewhat distorted by the nurses' strike, it appears that the Minnesota economy is still growing at a satisfactory rate. Persons on strike are not counted as unemployed or employed. However, the 2,200 hospital workers who were laid off as a result of the strike are counted as unemployed.

The gain of 0.2 of a percentage point in the seasonally adjusted unemployment rate to 6.2 percent in June was largely due to an adjustment specified by federal regulations and, to a lesser degree, to the layoffs among other hospital workers. Even with the rise in June, the rate was still well below the 8.0 percent in June, 1983. Despite the effects of the strike, seasonally adjusted total employment climbed a strong 11,100 in June after an increase of 5,300 in May and was 111,700 above the year earlier level. However, seasonally adjusted nonfarm payroll employment rose only 4,700 in June largely as a result of the strike which caused employment in the services sector which includes hospitals to fall by 5,600. The small June rise in payroll employment followed increases averaging 12,000 in the three preceding months. On the other hand, manufacturing and trade still continued to post solid seasonally adjusted gains in June. Adjusted employment in construction did not rise as strongly in June as it did in April and May while adjusted employment in mining fell slightly in June.

Labor Force Estimates	MINNESOTA (Numbers in '000's)			UNITED STATES (Numbers in '000,000's)		
	JUNE 1984	Change From Last Mo.	Change From Year Ago	JUNE 1984	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2315.3	58.5	81.0	115.4	2.1	2.0
Employed	2172.2	47.0	115.8	106.8	1.7	5.0
Unemployed	143.1	11.5	-34.8	8.6	0.4	-3.0
Unemployment Rate						
Actual	6.2	0.4	-1.8	7.4	0.2	-2.8
Seasonally Adjusted	6.2	0.2	-1.8	7.1	-0.4	-2.9


MN and the U.S., Employment & Unemployment Rate
MN
U.S.
Recession
EMPLOYMENT
ANNUAL AVERAGE (IN MILLIONS)
UNEMPLOYMENT RATE
1970 1971 1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982 1983